

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Number: WIAB04-9

Date: July 14, 2004

Expiration Date: 6/30/05

69:128:jp:8438

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES—
JUNE 18, 2004

The minutes and revised agenda from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday, June 18, 2004, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact Jim Scholl at (916) 657-4610.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division

Attachments

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL

Friday, June 18, 2004

Agenda

10 a.m.	Welcome/Hot Topics	Bill Burke, Workforce Development Branch (WDB)
	California Workforce Investment Board (CWIB) Update	David Militzer, CWIB Office
	DOL Client Services and Cost Study	Bill Burke, WDB
	Advisory Member Items:	
	• Rapid Response Monitoring Issues	Steve Saxton, Workforce Investment Division (WID)
	• Youth Earnings Gain Standard	Liz Clingman, WID
	• Request for Proposal for Rapid Response Allowable Activities	Steve Saxton, WID
	Performance Negotiation	Liz Clingman, WID
	Open Discussion	Bill Burke / All
	Adjourn	

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL MINUTES

Friday, June 18, 2004

Welcome/Hot Topics—Bill Burke, Workforce Development Branch (WDB)

- **ETP Pilot**—Currently, the Employment Training Panel's (ETP) funded training contractors are using mass mailing to Unemployment Insurance recipients to solicit clients for their classes. This practice is inefficient and costly, and the system that produces the mailings will discontinue at the end of August. The Local Workforce Investment Areas (LWIA) in Alameda, Orange, Riverside, and San Diego counties, have been asked to participate in a pilot referral program to utilize their One-Stop system as the source of the referrals. This would expand LWIAs access to additional training resources.
- **Rapid Response Conference**—The regional roundtables will soon hear a presentation from Tony Castillo from Fresno. It is anticipated that Mr. Castillo will be requesting the LWIA community to support and participate in a two-day Rapid Response conference. If the LWIAs want the Employment Development Department (EDD) to financially support this conference, they are advised to contact their Regional Advisor.

One of the Advisory members stated that reduced level of Workforce Investment Act (WIA) funding restricts them from sending staff to any conference.

- **New Acting Chief for LMID**—Richard Holden, Chief of the Labor Market Information Division (LMID) for the past 11 years, has accepted an appointment as Regional Commissioner for the San Francisco Region of the Bureau of Labor Statistics, effective July 11, 2004. Tim Taormina, Deputy Chief of LMID, has been appointed as Acting Chief of LMID. During Tim's 33 years of State service, he was the Executive Director of the State Job Training Coordinating Council and the Executive Director for the Older Worker Task Force. He also served as Chief of the Job Training Partnership Division, as well as Chief of the Legislative Liaison Office.
- **Job Service Redirection**—On June 18, EDD Director's office sent to each LWIA Administrator a letter that explains the Job Service staff redirection. This redirection was necessary because the budget for Job Service Branch was not sufficient to continue staffing at the current levels. The Department had previously asked for voluntary redirection of staff to other branches within EDD throughout the State. To date, 141 staff responded by voluntarily transferring to other jobs. Effective July 15, another 65 reductions will be done through involuntary redirection of staff. While employment services will be reduced in certain areas, EDD will work cooperatively with the local partners to ensure services are available in all communities and

discuss any impact the reductions may have. Many of the Advisory members shared that this could have a major economic impact on their LWIA.

California Workforce Investment Board (CWIB) Update—David Militzer, CWIB Office.

- The incentive awards for Program Year (PY) 2002-03 have been approved by the Governor's office for the expenditure of \$1 million. A directive will soon be out announcing the awards. The awards are based on 70 percent for regional collaboration/coordination, and 30 percent for performance.
- The high concentrations of eligible youth allocation of \$700,000 was also approved by the Governor's office and will be announced in a directive within the next few weeks.
- Two waiver extensions, the extended eligibility for the Eligible Training Provider List and Older Youth Individual Training Accounts, which expire June 30, 2004, are still pending in Washington and it is anticipated to get affirmative response on both waivers, extending them through June 30, 2005.
- An Advisory Committee is being formed for the evaluation of California's implementation of the WIA. The California Workforce Association (CWA) sent an e-mail message to the Local Workforce Investment Boards (LWIB) asking for local representation for the Committee; membership will soon be determined.
- The CWIB is starting to work on the Annual Report that will be submitted to the Department of Labor (DOL) in the fall. This year, our timeframe has been pushed up and information is being gathered a little earlier than usual. There will be a request sent out to the field for specific types of information regarding some model practices.
- The CWIB is working with EDD regarding distribution of the third category of the 25 Percent funds, the competitive funding for projects. The application material is being developed and will go out to the LWIAs in a directive, following Governor office approval of expending the funds.
- A workgroup is being formed to develop policy for requests to modify existing LWIA boundaries. This was a result of the action taken by CWIB at the May 18 meeting. The local areas are asked to contact David Militzer at CWIB if they are interested in participating in the workgroup. For more information regarding the meeting packet for the May 18 Board meeting, please see CWIB's Web site at www.calwia.org.
- An Advisory member asked if there is any movement on filling the Board vacancies and how would members of LWIAs register their interest. David stated that there have been Labor Agency recommendations that have gone to the Governor's office regarding both appointments and reappointments. However, if anyone is interested, they may contact the Governor's Appointment Secretary directly, or CWIB, who will then pass on the information to the Governor's office.
- The next Board meeting is tentatively scheduled for September 29, 2004.

DOL Client Services Cost Study—Bill Burke, WDB. The DOL national and regional offices held a meeting with Vickie Bradshaw, Sally McKeag, and a number of senior managers from EDD. The DOL wants to identify how federal funds flow in the system and is especially interested in the amount of funding that provides direct training and services to clients.

Vickie indicated that EDD would participate in a way that would be beneficial to California. The DOL acknowledged that it was a partnership they were seeking and would appreciate any information EDD can provide. In addition to WIA, DOL also wants to include Trade Adjustment Assistance, Wagner-Peyser, and Job Service funding.

The materials DOL provided for the cost study are similar to the kinds of approaches that were taken previously in the Mathematica and IBM studies, which were not successful.

The EDD and CWA will work together to create a workgroup to discuss how to approach the high-level collection of data needed for this cost study. Information will be sent out to LWIA Administrators interested in participating in the workgroup and then perhaps another conference call will be scheduled for discussion. The DOL would like to have this information by October 2004.

Rapid Response Monitoring Issues—Steve Saxton, Workforce Investment Division (WID). Concern had been expressed by an Advisory Committee member that EDD monitors were enforcing the requirement that grant code 141 be only spent on required Rapid Response. The monitors found a LWIA that had spent required activities funds on other than required activities. Steve Saxton explained that the Rapid Response funds distributed for PY 2003-04 were split into two separate grant codes. The EDD did this in response to the surprisingly high amount of funds requested for required activities. Since required activities funding was awarded on a priority basis, EDD wanted to ensure that LWIAs weren't getting an inordinate share of the required money only to then switch it for other uses. The LWIAs are expected to know which activities can be charged to each of those grant codes and to make sure that it is happening as planned.

Jessie Mar stated that CRD is trying to take a very high level view of what's being charged to the required activities and the documentation used by LWIAs to substantiate these required activities. The focus is on required activities rather than allowable activities.

Steve Saxton added that this coming year, based on policy recently adopted by CWIB, the Rapid Response funds would be allocated without designating amounts for required and allowable activities. The LWIAs will be asked to report expenditures for required and allowable activities separately within that one grant code.

Older Youth Earnings Gain Standard—Liz Clingman, WID. An Advisory member from Southern California raised a question regarding what the process is to renegotiate a more reasonable standard. Liz stated there hasn't been any serious consideration of renegotiating this goal with the Secretary of Labor because the State is exceeding the goal. Liz also commented that most of the Southern California areas are making their

Older Youth Earnings Gain goals. We're going to have trouble reducing the State negotiated goal when California is exceeding the goal. The goal is at \$3000 and we're at about \$3500 as a State.

Performance Negotiation—Liz Clingman, WID. We have reviewed all the revised proposals that came in. A number of the LWIAs sent requests for renegotiation without supporting data. Staff has evaluated each proposal based on economics, demographics, and current actual performance. Each administrator will soon receive an e-mail message with the State's proposed changes to the local goals. If an administrator still has a major issue, they can discuss this further with WID.

There have been questions concerning the design of the model that was used to estimate local performance goals. The model was not a primary factor in setting the goals for PY 2003-04. The model became more of a secondary factor because it generated significantly higher than expected performance levels in some cases. Liz and her staff are preparing a document that gives the technical explanation of the design model. The model is currently under review and we hope it will provide a better tool for the PY 2004-05 negotiations.

Liz also indicated the PY 2003-04 negotiation process is still open with DOL until June 30, 2004. Information regarding the State's performance goals has been available since July 2003. Delaying completion of the local performance goals allows the State and the locals to consider the maximum amount of information and gives the local areas the benefit of possible renegotiation with DOL.

Request for Proposal for Rapid Response Allowable Activities—Steve Saxton, WID. This agenda item was covered in the CWIB update.